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RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2219
RUEHKT/AMEMBASSY KATHMANDU PRIORITY 0261
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RUEHKO/AMEMBASSY TOKYO PRIORITY 0340
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C O N F I D E N T I A L SECTION 01 OF 02 ASHGABAT 000826

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E.O. 12958: DECL: 08/10/2017
TAGS: [PGOV](#) [PREL](#) [EINV](#) [EPET](#) [AJ](#) [KZ](#) [TX](#)
SUBJECT: TURKMENISTAN AND CASPIAN CONNECTOR: "DON'T
MENTION US NOW, BUT THE DOOR IS OPEN"

REF: ASHGABAT 0810

Classified By: CDA Richard E. Hoagland for reasons 1.4 (B) and (D)

¶1. (C) SUMMARY: Turkmenistan does not want to be mentioned in the Terms of Reference for the TDA-funded Caspian feasibility study for transporting hydrocarbons from Kazakhstan to Azerbaijan, but insists the door remains open for experts to study the connector idea. Timing may be an issue because of current work to prepare documents for the Caspian Littoral Pipeline. Also, Turkmenistan may feel uncomfortable going public about the possibility of a Turkmenistan-Azerbaijan connector because the two countries have not yet achieved a Caspian Sea delimitation mutual agreement. END SUMMARY.

¶2. (C) Deputy Chairman of the Cabinet of Ministers/Foreign Minister Rashit Meredov called in the Charge at COB on August 9 to respond to the question TDA Europe and Eurasia Director Dan Stein had posed at their meeting on August 6 (reftel). The question was whether Turkmenistan would object to being mentioned in one sentence only in the Terms of Reference for the TDA-financed feasibility study on transporting hydrocarbons from Kazakhstan to Azerbaijan. The one non-specific sentence on Turkmenistan would have opened the door for this feasibility study to look at connector possibilities between Turkmenistan's Bloc One and existing SOCAR infrastructure.

NOT NOW, BUT...

13. (C) In his one-on-one with Charge, FM Meredov praised Stein for their August 6 meeting. "The meeting was very constructive for us and made a very good impression. It will further our cooperation, especially on gas and oil. This will continue and grow." (NOTE: In that meeting, Stein and Charge had emphasized that the U.S. side, in the spirit of cooperation and transparency, did not want to take any steps without Turkmenistan's concurrence. END NOTE.) Meredov added, "We sincerely thank you for your respect and openness."

14. (C) Meredov said the government, meaning cabinet of ministers and the president, had studied the Terms of Reference closely, including the suggested sentence about Turkmenistan, and concluded it is too early to go public with something like this.

...THE DOOR IS OPEN

15. (C) Meredov hastened to add, "The possibility of a connector is not closed." He called for further study by U.S. and Turkmenistani experts, and asked specifically that the United States send technical experts for this purpose. He emphasized, "The door is open."

DELIMITATION

16. (C) Appearing to add an afterthought, Meredov said Turkmenistan also would welcome consultations with U.S. experts on how to achieve Caspian delimitation with Azerbaijan. (NOTE: In the renewed Turkmenistan-Azerbaijan relationship, these talks are already underway, with the next

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session scheduled for September. Contacts among foreign hydrocarbon firms active in Turkmenistan have told us that, during the latest round, the Azeris greatly decreased their territorial claims in hopes of promoting a solution where they could benefit from being an export route for Turkmenistan's hydrocarbons. END NOTE.)

17. (C) COMMENT: It seems clear the timing of our request, not the concept of a connector, was the problem for Turkmenistan. President Berdimuhamedov sent every one of his senior gas and oil ministers, directors, and other experts to Kazakhstan August 6-9 to negotiate the documents for the Caspian Littoral Pipeline and Central Asia Three Pipeline agreements reached in principle among Russia, Kazakhstan, and Turkmenistan, with Uzbekistan's consent) at their Tripartite Summit in May. We speculate that Berdimuhamedov and his government do not want to go public about concrete steps to achieve an export route to the West via the Caspian until they are more certain the tripartite agreement is nailed down. That said, Meredov went out of his way to emphasize that the door remains open to study further the technical details of a possible connector.

18. (C) COMMENT CONTINUED: We also note Meredov's near after-thought suggestion that Turkmenistan would welcome U.S. expert assistance to achieve Turkmenistan-Azerbaijan Caspian Sea delimitation. It could be, even though Azerbaijan agreed to the possible reference to Turkmenistan in the Terms of Reference, Turkmenistan is uncomfortable joining such a feasibility study without the legal basis of delimitation nailed down, or at least fairly clearly in sight. END COMMENT.
HOAGLAND